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BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.
ARCADIA, LOUISIANA

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FINANCIAL STATEMENTS

June 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date ~~FEB 09 2000~~

Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

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June 30, 1999

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BIENVILLE VOLUNTARY COUNCIL ON AGING INC.

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the accompanying general purpose financial statements of Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1999. These general purpose financial statements are the responsibility of Bienville Voluntary Council on Aging, Inc., management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Bienville Voluntary Council on Aging, Inc. as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated October 13, 1999 on my consideration of Bienville Voluntary Council on Aging, Inc.'s internal control structure and a report dated October 13, 1999 on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The statements and schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Bienville Voluntary Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation the general purpose financial statements taken as a whole.

Marsha D. Milkcan

Certified Public Accountant
October 13, 1999

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combined Balance Sheet - All Fund Types and Account Group
June 30, 1999

	Governmental Fund Types		Account Group General Fixed Assets	Totals (Memorandum Only)
	General	Special Revenue		
 <u>ASSETS</u>				
Cash and cash equivalents	\$197,581	\$ -	\$ -	\$ 197,581
Contracts receivable	23,127	27,821	-	50,948
Prepaid expenses	-	1,825	-	1,825
Due from other funds	27,667	-	-	27,667
General fixed assets	-	-	422,808	422,808
 Total assets	 <u>\$248,375</u>	 <u>\$ 29,646</u>	 <u>\$ 422,808</u>	 <u>\$ 700,829</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 1,526	\$ -	\$ 1,526
Due to other funds	-	27,667	-	27,667
 Total liabilities	 <u>-</u>	 <u>29,193</u>	 <u>-</u>	 <u>29,193</u>
 <u>FUND EQUITY:</u>				
Investments in general fixed assets	-	-	422,808	422,808
Fund balance:				
Reserved for utility assistance	-	453	-	453
Unreserved - undesignated	248,375	-	-	248,375
 Total fund equity	 <u>248,375</u>	 <u>453</u>	 <u>422,808</u>	 <u>671,636</u>
 Total liabilities and fund equity	 <u>\$248,375</u>	 <u>\$ 29,646</u>	 <u>\$ 422,808</u>	 <u>\$ 700,829</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 All Governmental Fund Types
For the Year Ended June 30, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
REVENUES:			
Intergovernmental	\$ 209,190	\$ 482,767	\$ 691,957
Public support	11,100	67,185	78,285
Miscellaneous	<u>11,965</u>	<u>-</u>	<u>11,965</u>
Total revenues	<u>232,255</u>	<u>549,952</u>	<u>782,207</u>
EXPENDITURES:			
Salaries	119,737	221,347	341,084
Fringe	5,956	17,358	23,314
Travel	1,064	34,253	35,317
Operating services	37,901	69,991	107,892
Operating supplies	19,921	19,677	39,598
Other costs	409	11,036	11,445
Meals	-	125,594	125,594
Capital outlay	-	63,869	63,869
Utility assistance	<u>-</u>	<u>2,480</u>	<u>2,480</u>
Total expenditures	<u>184,988</u>	<u>565,605</u>	<u>750,593</u>
Excess (deficiency) of revenues over expenditures	47,267	(15,653)	31,614
OTHER FINANCING SOURCES (USES):			
Operating transfers in	27,620	138,380	166,000
Operating transfers out	<u>(43,328)</u>	<u>(122,672)</u>	<u>(166,000)</u>
Excess of revenues and other sources over expenditures and other uses	31,559	55	31,614
FUND BALANCE:			
Beginning of year	<u>216,816</u>	<u>398</u>	<u>217,214</u>
End of year	<u>\$ 248,375</u>	<u>\$ 453</u>	<u>\$ 248,828</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended June 30, 1999

	Variance Favorable (Unfavorable)	Budget	Actual
<u>REVENUES:</u>			
Intergovernmental	\$ (55,440)	\$ 264,630	\$ 209,190
Public support	11,100	-	11,100
Miscellaneous	11,965	-	11,965
Total revenues	(32,375)	264,630	232,255
<u>EXPENDITURES:</u>			
Salaries	34,143	153,880	119,737
Fringe	5,415	11,371	5,956
Travel	(1,064)	-	1,064
Operating services	14,072	51,973	37,901
Operating supplies	26,834	46,755	19,921
Other costs	242	651	409
Capital outlay	-	-	-
Total expenditures	79,642	264,630	184,988
Excess (deficiency) of revenues over expenditures	47,267	-	47,267
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	(242,030)	269,650	27,620
Operating transfers out	226,322	(269,650)	(43,328)
Excess of revenues and other sources over expenditures and other uses	31,559	-	31,559
<u>FUND BALANCE:</u>			
Beginning of year	-	216,816	216,816
End of year	\$ 31,559	\$ 216,816	\$ 248,375

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual - Special Revenue Funds
For the Year Ended June 30, 1999

	Variance Favorable (Unfavorable)	Budget	Actual
<u>REVENUES:</u>			
Intergovernmental	\$ 56,520	\$ 426,247	\$ 482,767
Public support	5,505	61,680	67,185
Total revenues	<u>62,025</u>	<u>487,927</u>	<u>549,952</u>
<u>EXPENDITURES:</u>			
Salaries	161,833	383,180	221,347
Fringe	12,800	30,158	17,358
Travel	912	35,165	34,253
Operating service	49,555	119,546	69,991
Operating supplies	36,877	56,554	19,677
Other costs	3,780	14,816	11,036
Meals	(9,888)	115,706	125,594
Capital outlay	(63,869)	-	63,869
Utility assistance	(28)	2,452	2,480
Total expenditures	<u>191,972</u>	<u>757,577</u>	<u>575,605</u>
Excess (deficiency) of revenues over expenditures	253,997	(269,650)	(15,653)
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	(222,617)	360,997	138,380
Operating transfers out	(31,325)	(91,347)	(122,672)
Excess of revenues and other sources over expenditures and other uses	55	-	55
<u>FUND BALANCE:</u>			
Beginning of year	<u>-</u>	<u>398</u>	<u>398</u>
End of year	<u>\$ 55</u>	<u>\$ 398</u>	<u>\$ 453</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Presentation

The accompanying financial statements conform to generally accepted accounting principles as applicable to governmental units.

B. Reporting Entity

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Bienville Voluntary Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies which may impose certain restrictions upon how the Council can use the money that they have provided.

The Council is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the Council has presented its financial statements as a separate special-purpose government.

The primary function of the Bienville Voluntary Council on Aging, Inc. is to improve the quality of life for the parish's elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 17 voluntary members who serve three-year terms, governs the Council.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Council are financed. The acquisition, use, and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

General Fund - The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived.

The following types of programs comprise the Council's General Fund:

Local

Local funds are received from various local sources; such funds not being restricted to any special use.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Local (Continued)

The Council's program participants also generate revenues through a variety of fund raising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as part of the General Fund's local program.

PCOA (Act 735)

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion.

Medicaid

This is a program where the Council completes enrollment application for people wanting to apply for Medicaid services. The Council is paid \$14 per application it completes by the Department of Health and Hospitals. Any funds remaining after applying direct costs to operate the program are available for discretionary use by management.

The Council also acts as a coordinator of services for people who are home-bound and in need of services similar to those provided in a nursing home. Rather than have the person sent to a nursing home, the Council coordinates necessary services and is paid a fee by Medicaid for performing the case management function.

Project Independence

This program provides transportation to eligible participants through the Department of Social Services for educational purposes.

Local Transportation

The Council also provides transportation services to local agencies for a fee. These program service fees and their related costs are accounted for within the "local transportation" program of the General Fund.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following are the funds which comprise the Council's Special Revenue Funds:

Section 18

Section 18 funds are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to rural residents with the DeSoto Council on Aging, Inc. The transportation portion of in-kind contributions is an allowed cost for purposes of requesting reimbursement under this program. Because money received under this program is for reimbursement of costs previously incurred, the Council can use these funds for discretionary purposes.

Title III-C Area Agency Administration Fund

The Title III-C Area Agency Administration Fund is used to account for some of the administrative costs associated with operating the special programs for the aging.

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Title III C-1 Congregate Meals Fund

Title III C-1 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

Title III C-2 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to home-bound older persons.

U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program fund provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

Title III-D Fund

The III-D Fund is used to account for funds which are used to provide in-home services to frail, older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-D funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the Louisiana Association of Councils on Aging (LACOA) which in turn remits funds relating to DeSoto Council on Aging, Inc. to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

Title III, Part F

The III, Part F fund is used to account for funds which are used for disease prevention and health promotion activities.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. DeSoto Council on Aging, Inc. was one of the parish councils to receive a supplemental grant. These funds are "passed through" the Governor's Office of Elderly Affairs.

D. Account Group:

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The account group is not a "fund".

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of Bienville Voluntary Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

E. Basis of Accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. All grant revenue is considered susceptible to accrual. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

F. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts.

G. Budget Policy:

The Governor's Office of Elderly Affairs "GOEA" notifies the Council each year as to the funding levels for each program's grant award.

The Council may also obtain grants from agencies other than GOEA and the Council considers the potential revenues to be earned under those grants.

Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.

The Executive Director prepares a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval. The budget is prepared on a basis consistent with generally accepted accounting principles.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budget Policies: (Continued)

The Board of Directors review and adopts the budget before May 31 of the current year for the next year.

The adopted budget is forwarded to GOEA for final approval.

Actual amounts are compared to budgeted amounts periodically during the year as a management control device.

The Council may transfer funds between line items as often as required but must obtain prior approval from the grantor agency for funds received from that agency.

Budgeted amounts presented in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some activities are not budgeted, particularly if they are deemed to be immaterial by management.

H. Compensated Absence:

No liability is recorded for nonvesting accumulated rights to receive vacation or sick pay benefits.

I. Fixed Assets:

Assets which cost at least \$250 and which have an estimated useful life of greater than 1 year are capitalized as fixed assets. All fixed assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Reservation of Fund Balances:

The Council "reserves" portions of its fund balance that are legally restricted and are available only to meet future obligations.

K. Cash and Cash Equivalents:

The Council's policy is to include short-term interest bearing deposits with cash in the financial statements.

L. Investments:

Investments consist of certificates of deposit which are stated at cost, which approximates market.

M. Total Columns on Combined Statements - Overview:

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

N. Management's Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimated and assumptions that affect certain reported amounts and disclosures. Accordingly, results may differ from those estimates.

2. REVENUE RECOGNITION

Intergovernmental

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available. Intergovernmental grants do not allow the Council to recognize revenue under the grant award until actual costs are incurred or units of service are provided.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

2. REVENUE RECOGNITION (Continued)

Program Service Fees

Program service fees are recognized when the Council provides the service that entitles the Council to charge the recipient for the services received.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, C-2 and D programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

3. BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

4. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. In-kind contributions consisted primarily of the time donated by volunteer workers at senior centers and meal sites. Although these contributions have not been reported as revenues, no offsetting expenses have been incurred thereby producing no effect on the financial statements.

5. CONTRACTS RECEIVABLE

Contracts receivable at June 30, 1999, are as follows:

USDA	\$ 2,679
Project Independence (Local)	4,891
Section 18	25,142
Title 19	11,539
Medicaid	6,510
Miscellaneous	187
Total	<u>\$ 50,948</u>

All contracts receivable are fully collectible at June 30, 1999.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

6. CHANGES IN FIXED ASSETS

A summary of the changes in general fixed assets account group is as follows:

	Balance July 1, <u>1998</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>1999</u>
Building Improvements	\$ 12,998	\$ -	\$ -	\$ 12,998
Furniture and Equipment	<u>404,253</u>	<u>63,869</u>	<u>(58,312)</u>	<u>409,810</u>
Totals	<u>\$417,251</u>	<u>\$ 63,869</u>	<u>\$ (58,312)</u>	<u>422,808</u>

7. DEPOSITS WITH FINANCIAL INSTITUTIONS

The Council maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management.

At June 30, 1998, the carrying amount of the Council's deposits were \$197,581, and the bank's balance was \$241,201. The difference is due to outstanding checks at June 30. Deposits of \$227,304 were insured by federal depository insurance. Deposits of \$13,897 were collateralized by securities held by the depository bank in the Council's name.

8. INCOME TAX STATUS

Bienville Voluntary Council on Aging, Inc. is an organization exempt from tax under Internal Revenue Code Section 501(c)(3). Accordingly, the financial statements contain no provision for income taxes.

9. ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

10. INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 1999:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ 27,620	\$ 43,328
Special Revenue Funds:		
Title III C-1	15,947	-
Title III C-2	32,737	-
Title III C Administration	816	-
Title III B Supportive Services	87,117	-
Title III D In Home Services	1,314	-
Title III F	363	-
Ombudsman	86	-
Section 18	-	70,256
Senior Center	-	15,310
USDA	-	32,606
Miscellaneous Grant	-	4,500
Total - Special Revenue Funds	<u>138,380</u>	<u>122,672</u>
Total - All Funds	<u>\$ 166,000</u>	<u>\$ 166,000</u>

Operating transfers out by fund are as follows:

General Fund

Ombudsman	\$ 86
Title III C Administrative	816
Title III D	1,314
Title III F	363
Title III C-1	5,513
Title III C-2	10,565
Title III-B Supportive Services	21,799
Local	<u>2,872</u>
Total transfers out - General Fund	<u>\$ 43,328</u>

USDA

Title III C-1	\$ 10,434
Title III C-2	<u>22,172</u>
Total transfers out - USDA	<u>\$ 32,606</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1999

10. INTERFUND TRANSFERS (Continued)

<u>Miscellaneous Grant</u>	
Title III B Supportive Services	<u>\$ 4,500</u>
<u>Section 18</u>	
Title III-B	\$ 45,528
Local Transportation	1,616
Project Independence	3,212
Local	<u>19,900</u>
Total - Section 18	<u>\$ 70,256</u>

11. DUE TO/FROM OTHER FUNDS

Due to/from other funds at June 30, 1998, consisted of the following:

	<u>Due From</u> <u>Other Funds</u>	<u>Due to</u> <u>Other Funds</u>
General Fund	\$ 27,662	\$ -
Special Revenue Funds	<u>-</u>	<u>27,662</u>
Total - All Funds	<u>\$ 27,662</u>	<u>\$ 27,662</u>

12. RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

13. Year 2000 Issues

The Council's records and systems are Year 2000 compliant.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combining Statement of Program Revenues, Expenditures
and Changes in Fund Balances -
General Fund
For the Year Ended June 30, 1999

	<u>Other Local</u>	<u>Project Independence</u>	<u>Medicaid</u>	<u>PCOA</u>	<u>Local Transp.</u>	<u>Totals</u>
REVENUES						
Intergovernmental:						
Governor's Office of Elderly Affairs Bienville Parish	\$ -	\$ -	\$ -	\$ 21,779	\$ -	\$ 21,779
Police Jury	6,000	-	-	-	-	6,000
Program Service Fees:						
Louisiana Department of:						
Transportation and Development	-	-	-	-	101,061	101,061
Health and Hospitals	-	-	21,658	-	-	21,658
Social Services	-	58,692	-	-	-	58,692
Public Support:						
Unrestricted	11,100	-	-	-	-	11,100
Miscellaneous	11,965	-	-	-	-	11,965
Total revenues	<u>29,065</u>	<u>58,692</u>	<u>21,658</u>	<u>21,779</u>	<u>101,061</u>	<u>232,255</u>
EXPENDITURES						
Salaries	-	38,094	18,456	-	63,187	119,737
Fringe	-	2,240	-	-	3,716	5,956
Travel	522	157	125	-	260	1,064
Operating services	525	14,025	90	-	23,261	37,901
Operating supplies	550	7,251	95	-	12,025	19,921
Other costs	44	137	-	-	228	409
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>1,641</u>	<u>61,904</u>	<u>18,766</u>	<u>-</u>	<u>102,677</u>	<u>184,988</u>
Excess (deficiency) of revenues over expenditures	27,424	(3,212)	2,892	21,779	(1,616)	47,267
OTHER FINANCING SOURCES (USES)						
Operating transfers in	22,792	3,212	-	-	1,616	27,620
Operating transfers out	(18,657)	(-)	(2,892)	(21,779)	(-)	(43,328)
Excess (deficiency) of revenues and other sources over expenditures and other uses	31,559	-	-	-	-	31,559
FUND BALANCES						
Beginning of year	<u>216,816</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>216,816</u>
End of year	<u>\$248,375</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$248,375</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combining Statement of Program Revenues, Expenditures
and Changes in Fund Balances -
Special Revenue Funds
For the Year Ended June 30, 1999

	<u>Title III-B</u>		<u>Title III-C</u>		<u>Title III D</u>	
	<u>Ombuds man</u>	<u>Supportive Services</u>	<u>Area Agency Admin.</u>	<u>C-1</u>		<u>C-2</u>
<u>REVENUES</u>						
Intergovernmental:						
Governor's Office of Elderly Affairs State of Louisiana Department of Transportation and Development	\$ 6,362	\$ 73,036	\$ 17,095	\$ 50,436	\$ 70,681	\$ 1,902
Public Support:						
Restricted - Utility Programs	-	-	-	-	-	-
Client Contributions	-	15,074	-	19,245	12,379	844
Total revenues	6,362	88,110	17,095	69,681	83,060	2,746
<u>EXPENDITURES</u>						
Salaries	2,127	111,542	10,562	21,869	21,211	2,824
Fringe	91	9,371	1,901	1,226	1,705	52
Travel	1,878	8,497	1,263	873	21,093	439
Operating services	208	32,862	3,518	3,445	3,410	729
Operating supplies	124	8,670	244	155	219	6
Other costs	2,020	4,285	423	262	363	10
Meals	-	-	-	57,798	67,796	-
Utility assistance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	6,448	175,227	17,911	85,628	115,797	4,060
Excess (deficiency) of revenues over expenditures	(86)	(87,117)	(816)	(15,947)	(32,737)	(1,314)
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	86	87,117	816	15,947	32,737	1,314
Operating transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-	-
<u>FUND BALANCES (DEFICIT)</u>						
Beginning of year (deficit)	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Schedule 2

Title III F	Senior Center	USDA	Audit	Supple. Senior Center	Utility Assistance Fund	Section 18	Totals
\$ 3,032	\$ 21,075	\$ 32,606	\$ 1,608	\$ 4,500	\$ -	\$ -	\$ 282,333
-	-	-	-	-	-	200,434	200,434
-	-	-	-	-	1,458	-	1,458
200	-	-	-	-	1,077	16,908	65,727
<u>3,232</u>	<u>21,075</u>	<u>32,606</u>	<u>1,608</u>	<u>4,500</u>	<u>2,535</u>	<u>217,342</u>	<u>549,952</u>
-	-	-	-	-	-	51,212	221,347
-	-	-	-	-	-	3,012	17,358
-	-	-	-	-	-	210	34,253
-	5,358	-	1,608	-	-	18,853	69,991
145	369	-	-	-	-	9,745	19,677
3,450	38	-	-	-	-	185	11,036
-	-	-	-	-	-	-	125,594
-	-	-	-	-	2,480	-	2,480
-	-	-	-	-	-	63,869	63,869
<u>3,595</u>	<u>5,765</u>	<u>-</u>	<u>1,608</u>	<u>-</u>	<u>2,480</u>	<u>147,086</u>	<u>565,605</u>
(363)	15,310	32,606	-	4,500	55	70,256	(15,653)
363	-	-	-	-	-	-	138,380
<u>-</u>	<u>(15,310)</u>	<u>(32,606)</u>	<u>-</u>	<u>(4,500)</u>	<u>-</u>	<u>(70,256)</u>	<u>(122,672)</u>
-	-	-	-	-	55	-	55
-	-	-	-	-	398	-	398
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 453</u>	<u>\$ -</u>	<u>\$ 453</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>LOCAL:</u>			
Salaries	\$ 153,880	\$ 119,737	\$ 34,143
Fringe	11,371	5,956	5,415
Meals	-	-	-
Travel	-	1,064	(1,064)
Operating services	51,973	37,901	14,072
Operating supplies	46,755	19,921	26,834
Other costs	651	409	242
Transfers to other funds:			
General	-	2,892	(2,892)
Title III C Administration	-	816	(816)
Title III D	1,111	1,314	(203)
Title III F	413	363	50
Ombudsman	134	86	48
Title III C-1	-	5,513	(5,513)
Title III C-2	-	10,565	(10,565)
Title III-B Supportive Services	246,213	-	246,213
Totals	<u>\$ 512,501</u>	<u>\$ 206,537</u>	<u>\$ 305,964</u>
<u>SECTION 18:</u>			
Salaries	\$ 59,842	\$ 51,212	\$ 8,630
Fringe	4,422	3,012	1,410
Meals	-	-	-
Travel	-	210	(210)
Operating services	20,244	18,853	1,391
Operating supplies	18,290	9,745	8,545
Other costs	113	185	(72)
Capital outlay	-	63,869	(63,869)
Transfers to other funds:			
Title III-B Supportive Services	45,528	45,528	-
Local Transportation	-	1,616	(1,616)
Project Independence	-	3,212	(3,212)
General Fund	-	19,900	(19,900)
Totals	<u>\$ 148,439</u>	<u>\$ 217,342</u>	<u>\$ (68,903)</u>
<u>PCOA (ACT 735):</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Transfers to other funds:			

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>PCOA (ACT 735): (Continued)</u>			
Title III B	\$	\$	\$
Supportive Services	21,779	21,779	-
Totals	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ -</u>
 <u>Title III C-1:</u>			
Salaries	17,557	21,869	(4,312)
Fringe	1,396	1,226	170
Meals:			
Raw food	29,894	31,918	(2,024)
Non-edibles	24,458	25,880	(1,422)
Travel	1,102	873	229
Operating services	3,630	3,445	185
Operating supplies	173	155	18
Other costs	-	262	(262)
Capital outlay	-	-	-
Totals	<u>\$ 78,210</u>	<u>\$ 85,628</u>	<u>\$ (7,418)</u>
 <u>SENIOR CENTER:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	5,358	(5,358)
Operating supplies	-	369	(369)
Other costs	5,325	38	5,287
Capital outlay	-	-	-
Transfers to other funds:			
Title III B	15,750	15,310	440
Totals	<u>\$ 21,075</u>	<u>\$ 21,075</u>	<u>\$ -</u>
 <u>Title III C-2:</u>			
Salaries	\$ 26,031	\$ 21,211	\$ 4,820
Fringe	2,070	1,705	365
Meals:			
Raw food	32,518	36,000	(3,482)
Non-edibles	28,836	31,796	(2,960)
Travel	21,090	21,093	(3)
Operating services	3,687	3,410	277
Operating supplies	254	219	35
Other costs	-	363	(363)
Capital outlay	-	-	-
Totals	<u>\$ 114,486</u>	<u>\$ 115,797</u>	<u>\$ (1,311)</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Expenditures</u>	Variance - Favorable (Unfavorable)
<u>IN-HOME SERVICES:</u>			
Salaries	\$ 2,483	\$ 2,824	\$(341)
Fringe	198	52	146
Travel	373	439	(66)
Operating services	672	729	(57)
Operating supplies	8	6	2
Other costs	9	10	(1)
Capital outlay	-	-	-
Totals	<u>\$ 3,743</u>	<u>\$ 4,060</u>	<u>\$(317)</u>
<u>OMBUDSMAN:</u>			
Salaries	\$ 2,151	\$ 2,127	\$ 24
Fringe	171	91	80
Travel	1,935	1,878	57
Operating services	209	208	1
Operating supplies	14	124	(110)
Other costs	2,016	2,020	(4)
Capital outlay	-	-	-
Totals	<u>\$ 6,496</u>	<u>\$ 6,448</u>	<u>\$ 48</u>
<u>TITLE III C ADMINISTRATION:</u>			
Salaries	\$ 10,487	\$ 10,562	\$(75)
Fringe	830	1,901	(1,071)
Travel	1,364	1,263	101
Operating services	3,857	3,518	339
Operating supplies	266	244	22
Other costs	291	423	(132)
Capital outlay	-	-	-
Totals	<u>\$ 17,095</u>	<u>\$ 17,911</u>	<u>\$(816)</u>
<u>TITLE III-B SUPPORTIVE SERVICES:</u>			
Salaries	\$ 264,629	\$ 111,542	\$ 153,087
Fringe	21,071	9,371	11,700
Travel	9,301	8,497	804
Operating services	85,639	32,862	52,777
Operating supplies	37,549	8,670	28,879
Other costs	3,617	4,285	(668)
Capital outlay	-	-	-
Totals	<u>\$ 421,806</u>	<u>\$ 175,227</u>	<u>\$ 246,579</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>ENERGY FUND:</u>			
Salaries	-	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	-	-	-
Utility assistance	2,452	2,480	(28)
Totals	<u>\$ 2,452</u>	<u>\$ 2,480</u>	<u>\$ (28)</u>
<u>AUDIT:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	1,608	1,608	-
Operating supplies	-	-	-
Totals	<u>\$ 1,608</u>	<u>\$ 1,608</u>	<u>\$ -</u>
<u>USDA</u>			
Transfers to Title III C-1	\$ 8,214	\$ 10,434	\$ (2,220)
Transfers to Title III C-2	17,355	22,172	(4,817)
Totals	<u>\$ 25,569</u>	<u>\$ 32,606</u>	<u>\$ (6,977)</u>
<u>PREVENTIVE HEALTH:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Travel	-	-	-
Operating services	-	145	(145)
Operating supplies	-	-	-
Other costs	3,445	3,450	(5)
Capital outlay	-	-	-
Totals	<u>\$ 3,445</u>	<u>\$ 3,595</u>	<u>\$ (150)</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>MISCELLANEOUS GRANT:</u>			
Transfers to Other Funds:			
Title III B	\$ 4,500	\$ 4,500	\$ -
Title C-2	-	-	-
Totals	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ -</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Schedule of Priority Services -
Title III, Part B, Grant for Supportive ServicesFor the Year Ended June 30, 1999

Access (30%):	Case Management	\$	148	
	Transportation		134,343	
	Information & Assistance		148	
	Outreach		<u>961</u>	
	Total access expenses		135,600	<u>261.94%</u>
In-Home (15%):	Homemaker		22,152	<u>42.79%</u>
Legal (5%):	Legal assistance		2,633	<u>5.08%</u>
Non-priority services			<u>14,842</u>	
Total Title III-B	Supportive service expenditures		175,227	
Less: Participant contributions		(15,074)	
Transfers in		(<u>87,117)</u>	
Title IIIB - Supportive services grant			73,036	
Less: State homemaker		(<u>6,833)</u>	
Original grant award net of additional state homemaker funds		\$	<u>66,203</u>	

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Statement of General Fixed Assets
 And Changes in General Fixed Assets
For the Year Ended June 30, 1999

	Balance June 30, 1998	Additions (Deletions)	Balance June 30, 1999
General Fixed Assets, at Cost:			
Building & Improvements	\$ 12,998	\$ -	\$ 12,998
Furniture and equipment	<u>404,253</u>	<u>5,557</u>	<u>409,810</u>
Totals	<u>\$ 417,251</u>	<u>\$ 5,557</u>	<u>\$ 422,808</u>
Investment in General Fixed Assets:			
Title III C-1	\$ 6,225	\$ -	\$ 6,225
Title III C-2	1,766	-	1,766
Senior Center	2,350	-	2,350
Title III C Administrative	20	-	20
Title III B Support services	2,583	-	2,583
Title III F	3,962	-	3,962
Title III D In Home services	1,811	-	1,811
Miscellaneous Grant	2,158	-	2,158
Section 18	139,841	26,586	166,427
Section 16	150,445	-	150,445
Local	<u>106,090</u>	<u>(21,029)</u>	<u>85,061</u>
Totals	<u>\$ 417,251</u>	<u>\$ 5,557</u>	<u>\$ 422,808</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Schedule of Federal Financial Assistance
For the Year Ended June 30, 1999

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>
<u>U.S. Department of Health and Human Services</u>				
<u>Administration on Aging</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs				
Special programs for the aging:				
Title III, Part B - Grant for Supportive Services and Senior Centers	93.044	\$ 57,442	57,442	57,442
Title III, Part B-Ombudsman	93.044	6,362	6,632	6,632
Subtotal CFDA# 93.044		<u>63,804</u>	<u>63,804</u>	<u>63,804</u>
Title III, Part C-1 Congregate Meals	93.045	35,274	35,274	35,274
Title III, Part C-2 Home Delivered Meals	93.045	18,480	18,480	18,480
Title III, Part B Area Agency Administrative	93.045	12,821	12,821	12,821
Subtotal CFDA# 93.045		<u>66,575</u>	<u>66,575</u>	<u>66,575</u>
Title III, Part D - In Home Services for Frail Older Individuals	93.046	1,617	1,617	1,617
Title III, Part F - Disease and Health Promotion Services	93.043	2,577	2,577	2,577
<u>U.S. Department of Agriculture</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs:				
USDA - cash in lieu of commodities	10.570	41,910	32,606	32,606
<u>U.S. Department of Transportation</u>				
<u>Federal Transit Administration (FTA)</u>				
Passed through the Louisiana Department of Transportation				
Capital Assistance	20.509	47,901	47,901	47,901
Operating Assistance	20.509	152,533	152,533	152,533
Total for US Department of Transportation		<u>200,434</u>	<u>200,434</u>	<u>200,434</u>
Total - All Federal Awards		<u>\$376,917</u>	<u>\$367,613</u>	<u>\$ 367,613</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to the Schedule of Federal Awards

June 30, 1999

1. General:

The accompanying Schedule of Federal Awards presents the activity of all federal award programs of Bienville Voluntary Council on Aging, Inc.

2. Basis of Accounting:

The accompanying Schedule of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the general purpose financial statements.

3. Relationship to General Purpose Financial Statements:

Federal Award revenues are reported in the general purpose financial statements as follows:

	<u>Intergovernmental Revenue</u>
Federal Financial Awards	\$ 367,861
State Financial Awards	<u>324,096</u>
Total Intergovernmental Awards	<u>\$ 691,957</u>

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT OF COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the financial statements of Bienville Voluntary Council on Aging, Inc. Louisiana as of and for the year ended June 30, 1999, and have issued my report thereon dated October 13, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

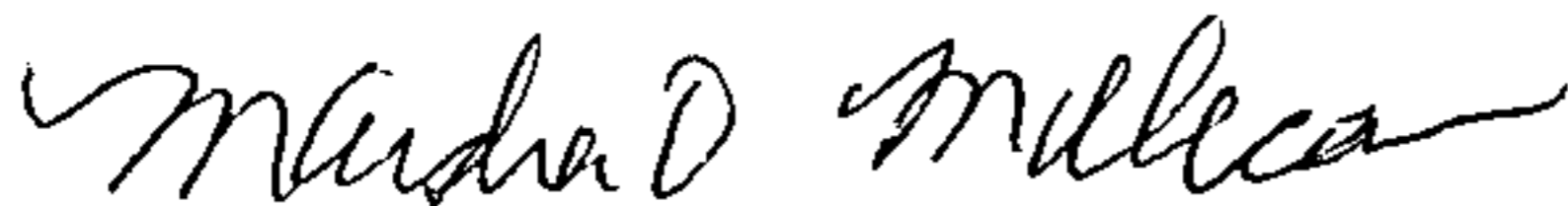
As part of obtaining reasonable assurance about whether Bienville Voluntary Council on Aging, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Bienville Voluntary Council on Aging, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a certain matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Bienville Voluntary Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item # 1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider item #1 to be a material weakness.

This report is intended for the information of management and federal and state awarding agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant
October 13, 1999

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Corrective Action Taken on Prior Year Findings
June 30, 1999

Finding: The segregation of duties is inadequate
 to provide effective internal control.

Management's
 Response: No action was recommended due to economic
 and space limitations and none was taken.

Bienville Voluntary Council on Aging, Inc.

Schedule of Findings and Questioned Costs

June 30, 1999

	<u>Finding/Noncompliance</u>	<u>Questioned Costs</u>
#1	<p>Criteria: The segregation of duties is inadequate to provide effective internal control.</p> <p>Cause: The condition is due to economic and space limitations.</p> <p>Recommendation: No action is recommended.</p> <p>Management's Response: We concur with the finding.</p>	-0-

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

Compliance

I have audited the compliance of Bienville Voluntary Council on Aging, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. Bienville Voluntary Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Bienville Voluntary Council on Aging, Inc.'s management. My responsibility is to express an opinion on Bienville Voluntary Council on Aging, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bienville Voluntary Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Bienville Voluntary Council on Aging, Inc.'s compliance with those requirements.

In my opinion, Bienville Voluntary Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of Bienville Voluntary Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Bienville Voluntary Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

I noted a certain matter involving the internal control over compliance and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, could adversely affect Bienville Voluntary Council on Aging, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the schedule of findings and questioned costs as item # 1.

A material weakness is a condition in which the design or operation of one or more on the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, I believe reportable condition # 1 as described in the schedule of findings and questioned costs is a material weakness.

This report is intended for the information of management the Board of Directors, and applicable federal and state cognizant agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant
October 13, 1999